

HOUSE COMMITTEE ON
GENERAL GOVERNMENT AND REGULATORY REFORM

January 24, 1995
Hearing Room 357
1:00 P.M.
Tapes 10-13

MEMBERS PRESENT:

Rep. Bob Tiernan, Chair
Rep. Mike Lehman, Vice-Chair
Rep. Jerry Grisham
Rep. Cedric Hayden
Rep. Bryan Johnston
Rep. Bill Markham
Rep. Lonnie Roberts
Rep. Barbara Ross
Rep. Charles Starr
Rep. Ken Strobeck
Rep. Sharon Wylie

MEMBER ABSENT: Rep. Ron Adams

STAFF PRESENT:

Greg Moore, Committee Counsel
Anne Tweedt, Committee Counsel
Kay C. Shaw, Committee Assistant

MEASURES HEARD: Government Efficiency

Department of Environmental Quality
Department of Transportation
Department of Economic Development
Department of Human Resources

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 10, A

005 CHAIR TIERNAN: Calls the meeting to order at 1:02 pm. Gives introductory remarks about the purpose of the informational meeting.

DEPARTMENT OF ENVIRONMENTAL QUALITY

059 LYDIA TAYLOR, Interim Director, Department of Environmental Quality: Submits and speaks from prepared text regarding government efficiency (EXHIBIT A).

098 MS. TAYLOR: Continues her prepared presentation explaining Oregon's long history of recycling and describing the DEQ's organizational structure.

193 MS. TAYLOR: Continues presentation explaining that over the past

several years they have tried to make people more efficient. Provides data about technology and the idea for a document-imaging system to increase efficiency and effectiveness with the public. Suggests that laws which govern purchasing should be examined (see page 7).

338 CHAIR TIERNAN: Did your reorganization result in less people than when you started? How many people did you have before you started your reorganization and how many did you end up with afterwards?

MS. TAYLOR: The number of people remains the same. People were moved from Portland Headquarters to various regions. Explains that reorganization was not a reduction in staff, but a movement in staff.

CHAIR TIERNAN: When was the last time you were audited for dollars or for performance?

MS. TAYLOR: DEQ is audited annually for dollars by the Secretary of State's Performance Audit Section. The last performance audit was about 1.5 years ago. The people who do the financial audit are usually two different people. When a performance audit is conducted, two people from the Secretary of State's office come initially, discuss it with us and then one person comes and performs the audit.

CHAIR TIERNAN: One person for 685 employees?

MS. TAYLOR: That's correct.

367 CHAIR TIERNAN: How many fees have gone up from DEQ in the last 18 months?

MS. TAYLOR: Five fees have been raised in the last 12 months. Will have to check to know if other fees were raised prior to that.

CHAIR TIERNAN: Are you working with a 1-10 ratio right now, supervisor to employee?

MS. TAYLOR: That's correct.

CHAIR TIERNAN: Requests information about the new computer system (i.e., E.-Mail system, the networks, and the organization (department to department and employee to employee)).

MS. TAYLOR: Explains that DEQ has a distributive data processing system rather than a big centralized computer that serves local area networks across the state.

CHAIR TIERNAN: How many of those networks do you have?

MS. TAYLOR: It is a single network. Each person at DEQ, with the exception of maybe the mailroom or some of those places, has a computer on the desk.

CHAIR TIERNAN: Where did you purchase your system and how long have you had it?

MS. TAYLOR: Explains that the system was first purchased about eight years

ago and system enhancements have occurred incrementally. The goal initially was to purchase a system that would meet DEQ needs over time.

CHAIR TIERNAN: How many other agencies are ;you aware of that have a similar system?

MS. TAYLOR: No knowledge of any other agencies that have the exact system.

Is aware other agencies have E-Mail capability. Larger agencies began with large mainframe computers and then adapted the system according to particular needs.

CHAIR TIERNAN: How often are GCMS machines used?

MS. TAYLOR: Explains there the machine is used more than 14 hours a day and will run samples unattended.

REP. ROSS arrives at 1:05 pm..

TAPE 11, A

007 CHAIR TIERNAN: Requests a draft proposal about the government purchasing process that DEQ desires and an action plan.

CHAIR TIERNAN: Concerning the software that DEQ sells, does DEQ intend to sell software to the people DEQ regulates, to the public or to other agencies?

MS. TAYLOR: Explains an agreement currently in place with a consultant to sell to other state agencies with operations similar to DEQ. Additionally, mentions that the State of Washington would like to buy software through this same consultant.

020 REP. ROSS: Comments that some agencies have mentioned difficulties with the State Personnel System regarding hiring at the right level, recruiting minorities, carrying on business efficiently and making changes promptly as workload dictates. Asks for input about some of DEQ's problems in that area.

MS. TAYLOR: Remarks that DEQ's experience is that of a "typical complainant" (i.e., similar to complaints by other State agencies about the State's civil service system). Says DEQ has considered contracting for such services to achieve faster and more effective ways to provide such services.

REP. ROSS: Could you be specific and give an example of a complaint or difficulty DEQ might have?

MS. TAYLOR: Explains that when DEQ recruits outside its own agency, it takes approximately six months to get an application, the notices published, applicants in and graded, and the results returned. Agencies are compelled to recruit from within when they are hurried, because of how long it takes to use the State's civil service system.

REP. JOHNSTON: Would you characterize the amount of money you charge on drawings, met plans and maps as reimbursement?

MS. TAYLOR: Explains that the law restricts charging for actual cost only.

Says a cost analysis reflects that if 125,000 copies are sold in a year, DEQ gets about \$31,000 in revenue. Proposes having an entrepreneur come in to setup a system whereby if someone looking at a DEQ screen needed a copy of it, they could insert a coin and produce a copy without DEQ staff being involved.

067 REP. JOHNSTON: Asks whether or not on regarding the Intel piece there was compensation for the name and public relations.

MS. TAYLOR: Replies that no compensation is received for the document, but Intel was allowed to use the system as a case study.

REP. JOHNSTON: Would DEQ have been prohibited by law from negotiating such a sale?

MS. TAYLOR: Doesn't know whether DEQ is restricted by law from having charged or negotiated a sale or price for use of the DEQ name.

REP. MARKHAM arrives at 1:36 p.m.

REP. ROBERTS: Comments about the prohibition of revenue enhancing. Explains that only the Legislature can pass revenue-enhancing issues. An agency can charge product costs, but there is a constitutional prohibition to even engage in revenue enhancing.

084 REP. STROBECK: Asks if some sort of training to improve customer relations and personal behavior standards/evaluations would improve efficiency.

MS. TAYLOR: Knows there is a lack of an effective program of training for vehicle inspectors. Provides information about formal training and new-employee orientation programs as well as staff shortage problems.

105 REP. ROBERTS: Does DEQ monitor the Federal Clean Air Act?

MS. TAYLOR: Confirms that DEQ is delegated to implement the Federal Clean Air Act.

REP. ROBERTS: Did DEQ get any federal money for doing that?

MS. TAYLOR: Yes, DEQ did get funding -- about \$2 million a year -- to help implement the Federal Clean Air Act.

REP. ROBERTS: That doesn't cover the entire defense?

MS. TAYLOR: No. In fact, the new Federal Clean Air Act requires, whether it is run by the state or the Federal Government, that Title V has to be paid for 100% by those people who are regulated.

REP. ROBERTS: In other words, the State's bill is going to go up and the new Federal Clean Air Act requires states to pay the entire bill without federal money.

MS. TAYLOR: No, only that portion that is related to big permittees were

called Title V. Permittees have to be 100% fee supported. The last Legislature did enact legislation to provide for that fee.

CHAIR TIERNAN: What other services does DAS provide to DEQ?

MS. TAYLOR: DAS provides purchasing and contracting, space allocation, all leases (negotiates leases), risk assessment/management, budgeting oversight, accounting systems, human resources and labor negotiations.

CHAIR TIERNAN: Does DEQ have its own Personnel Department?

MS. TAYLOR: DEQ has a small unit.

CHAIR TIERNAN: How many people are in that unit?

MS. TAYLOR: The Human Resources Unit has seven people, including the clerical people and affirmative action training person.

140 REP. WILEY: Describe what the breakdown is in personnel and human resource duties between what's provided by DAS and what is provided by DEQ.

How many are support staff and professionals and what are their specialties?

MS. TAYLOR: Explains services provided by DAS are those where DAS writes whole classification specifications that apply to all State agencies; does labor negotiation, recruiting services, and grading services; oversees to ensure that laws aren't violated or hiring done out of class. Internally, a position description is prepared before sending to DAS to take action. Once a position description is written and recruitment is needed for a position, DEQ personally writes the job announcement, identifies the skill levels and requirements for the position, and prepares the questions that need to be asked/answered by the application.

DEPARTMENT OF TRANSPORTATION

213 DON FORBES, Director: Explains the format of his presentation about government efficiency will be about people not systems.

CHAIR TIERNAN: Provides introductory comments and explains the intent of the Committee is to review the top two or perhaps four agencies to help determine what can be done.

MR. FORBES: Submits prepared statement (EXHIBIT B) and presents for his prepared statement. Explains the mission and background about DOT's business.

246 MR. FORBES: Continues his presentation. Explains the long-range planning that provides technical assistance and grants to transportation providers, system operations as the bulk of department operations and about design and construction management. Says system and user protection is largely the DMV role (i.e., licensing and regulation of drivers and vehicles, safety programs and some of the revenue collection). Explains the management structure over the last several years.

273 MR. FORBES: Continues presentation and explains about staffing, consolidations, reductions, broadened managerial span of control, and collapsing of organization.

304 REP. ROBERTS: Defines "highway" as opposed to a "street".

MR. FORBES: Say 96,000 miles is the total road/highway network in the State.

REP. ROBERTS: Is that everything (i.e., city, county and federal streets)?

MR. FORBES: That is correct.

REP. ROBERTS: Are all of these roadways paved?

MR. FORBES: Not all are paved. Explains about higher-class gravel road and the fact they are included in the total number.

CHAIR TIERNAN: Requests clarification about how many are gravel road.

MR. FORBES: Does not have the information, but agrees to check the total mileage and separate them as city, county and state roads.

REP. ROBERTS: Requests confirmation there is no definition that requires a highway has to be four lanes and the speed limit is 55 or 60 mph.

MR. FORBES: That is correct.

CHAIR TIERNAN: Does DOT need contracts or does DOT have any contracts for the 96,000 miles?

MR. FORBES: Explains that city, county and state jurisdictions are relatively autonomous in how they maintain their inventories. Over the last several years with many of the counties and some cities they have either exchanged directly one highway for another arterial if it makes sense. More often than not, DOT has used staff to maintain systems (i.e., shared staff). DOT doesn't maintain anything on the county system unless it is by an operating agreement.

339 CHAIR TIERNAN: If the City of Condon wanted DOT to pave their main street, DOT wouldn't do that. The City of Condon would have to do it on their own and they couldn't use or contract with DOT to do that.

MR. FORBES: Explains that if the roadway is in the City of Condon's system, they would have to come up with/provide the money to do that piece of paving. DOT would incorporate it into an operating agreement -- those types of operating agreements are done as a matter of course.

393 MR. FORBES: Continues presentation about other system elements. Points

out there are over 400 airports statewide, 32 for which ODOT is responsible -- possibly up to 33 now, due to a recent acquisition. Airports maintained

are generally part of a safety-reliever system, there really aren't other owners, otherwise ODOT would return them to somebody locally to maintain. Between aircraft and pilots, ODOT registers about 20,000. There are about 13,000 pilots roughly in the state and 7,000 aircraft. While the Federal Aviation Agency licenses pilots, ODOT registers them primarily for the purpose of providing in-state or search and rescue. Within public transportation there are seven public transportation districts, 24 other system (i.e., light rail, inner-city bus lines, etc.). ODOT has no direct operating responsibility for any of those, ODOT does provide technical

assistance and some grants for some of those systems. DMV licenses some two million drivers and over three million vehicles.

MR. FORBES: Continues presentation and emphasizes commitment and efforts for short-term and long-term plans. Speaks about construction cost over runs.

052 MR. FORBES: Highlights total performance/rewards and recognition programs.

080 MR. FORBES: Continues visual presentation from easel. Explains the initiative called PRIDE in public service (i.e., an ethics program) and strides toward giving people decision-making skills around a value base. Key piece is Decision PLUS. PLUS is an acronym that represents four ethical figures that are to be considered in any alternative for a decision (i.e., Policy, Legal, Universal and Self). Provides information about measurement tools and performance planning for all managers.

REP. ROBERTS: "Did I hear you say that you trained some people in performance?"

MR. FORBES: Explains the training to 70 top Corps of Engineer managers around performance measure mechanisms used. Explains the last piece of performance is the interim reviews.

143 MR. FORBES: Describes the reward/recognition program that ultimately gives people a "thank you" for a job well done. In 1989 and 1991, DOT explored "gain sharing" which is a bonus system based on hard core performance measures -- a fairly successful pilot that hasn't gone to full implementation yet.

CHAIR TIERNAN: Are you forced to deal with DAS and use their services in any regard?

165 MR. FORBES: Says DAS is doing exactly what it has been charged to do for decades. A discussion that would be helpful is for the Legislature and the Governor to decide if that is the control mechanism that is still wanted for government. There are some frustrations, but is the role DAS is asked to assume.

CHAIR TIERNAN: How many pay classifications are there in DOT approximately?

MR. FORBES: Indicates there are probably several, although he doesn't have the exact number.

CHAIR TIERNAN: How much overtime has been charged to ODOT for 1994? How many employees do you think ODOT fired in 1994?

MR. FORBES: Doubt ODOT fired very many.

CHAIR TIERNAN: Less than 10?

MR. FORBES: Less than 50.

CHAIR TIERNAN: How many were terminated for cause?

MR. FORBES: Explains that terminated for cause in State government basically isn't necessarily a performance issue; therefore, that is why the numbers are so low.

205 CHAIR TIERNAN: If you had to start building your agency again today from ground up instead of inheriting it, what is the one thing you would do differently to best increase the efficiency of the agency right now?

MR. FORBES: Says it makes sense that in any geographic area, when maintaining roads/highways, there is at least a state, county and city overlap (i.e., the same infrastructure doing the same things. Suggests a singular jurisdiction responsible in a geographic area for maintenance. Some of the administrative processes seem a decade or two beyond the private sector.

CHAIR TIERNAN: Could you elaborate on that last one?

MR. FORBES: For example, ADP cuts one in eight payroll checks in the United States today. Government might want to explore whether in fact ADP could do that more effectively than we can. If it is part of ADP's mission, they are probably really good at it.

235 CHAIR TIERNAN: When you talk about singular jurisdiction for maintenance, do you mean setting up zones and allocating money for them to maintain those roads in accordance with specifications?

252 MR. FORBES: There are probably redundancies. Singular jurisdiction in a given area probably would ultimately result in a greater efficiency.

REP. MARKHAM: If the ballot measure would pass, how much would ODOT have saved if the prevailing wage was eliminated -- Davis/Bacon Act?

MR. FORBES: That is impossible to answer. ODOT would have assumed saving a fair amount, but some major contractors, in light of the subtleties of bidding, etc., say it is impossible to draw a conclusion.

REP. MARKHAM: How much contracting do you put out in about a year?

MR. FORBES: Says contract volume is somewhere between \$240 million and \$300 million.

REP. MARKHAM: Is the metric system still alive and are they still trying to force the state into that?

MR. FORBES: Yes, they are. ODOT is still on schedule, which means sometime in '96 maybe '95 for design.

281 REP. STROBECK: Does ODOT have minimum crew requirements at roadside work (i.e., for the size of crews that are working a project)?

MR. FORBES: No.

REP. STROBECK: What kind of staffing do you have when there is somebody who is a flagger at a project?

MR. FORBES: There are some basic requirements on a construction project for flagging. In terms of whether ODOT's has a minimum size for construction

management crews or maintenance crews, there is no minimum size. ODOT tries to setup with the work to be done.

309 REP. STROBECK: What is the number one complaint that the public has with ODOT or that ODOT hears from the public?

MR. FORBES: Probably that DMV lines are too long.

REP. WILEY: How have you used outside consultants to do training and changing the organization? Could you give me a guestimate of what ODOT's investment is in outsiders coming in and doing training, etc.

MR. FORBES: ODOT goes to wherever the expertise resides to get started and gain the necessary competencies to carry forward. In some cases the expertise is already held internally; therefore, no outside consultant is used. Probably several \$100,000 to \$1 million over six years for outside work.

REP. WILEY: Does DAS provide consulting assistance for those kinds of efforts in terms of internal expertise and people that come out and work with ODOT or other agencies?

MR. FORBES: Not to any great extent. They have expertise in certain areas; however, ODOT is about organizational development in a fairly broad context. Historically DAS is not geared up to do that.

REP. WILEY: How many human resource/personnel professionals does ODOT have internally and are their duties similar to DEQ's?

375 MR. FORBES: About 60 people work in personnel. That includes people who monitor compliance for civil rights on construction projects. There is a fair amount of overlap between ODOT's internal process and what DAS provides. ODOT is now certified to do its own personnel reclassification.

REP. ROSS: What aspect of staff human development is ODOT working on now that ODOT wants to put on some muscle to meet vision?

MR. FORBES: The next year or two the focus is performance planning to ensure that money spent is spent wisely (i.e., working on skill development by utilizing process/analysis techniques). The more scarce the resources become, the better ODOT will have to become at understanding its business and shifting the direction of the agency in order to remain responsive.

417 MR. FORBES: Describes the changes regarding customer service. Explains that securing change is the next big piece and that will require training in process/analysis techniques to make good decisions.

REP. ROSS: Would speed in resolving partnership issues be one of ODOT's goals in the next few years?

MR. FORBES: Explains that ODOT needs to get better and more responsive in those areas.

REP. JOHNSTON: To what extent, if at all, will the organization be derailed by the lack of revenue that ODOT anticipates from the two cents a gallon increase?

TAPE 11, B

078 CHAIR TIERNAN: What federal mandates are telling ODOT to do things that ODOT questions, why do we do these things and why are they required? Which ones would ODOT like to see go away or be significantly modified?

MR. FORBES: Relief in the Clean Air Conformity rules.

092 CHAIR TIERNAN: What maintenance plan is in place for the Gorge road? What is the cost of maintenance/stability of roads by shipping Portland's garbage by dump trucks out to the Gorge?

MR. FORBES: Unable to respond as the numbers are not readily available.

REP. WILEY: Give the recent data on road maintenance cost of studded tires.

MR. FORBES: Preliminary figure is about \$11 million annually.

REP. MARKHAM: How many bridges in Portland would be standing if there is an earthquake?

MR. FORBES: Probably not many, but it depends on the site.

016 CHAIR TIERNAN calls a three -four minutes recess.

CHAIR TIERNAN: Reconvene hearing.

DEPARTMENT OF ECONOMIC DEVELOPMENT

173 BILL SCOTT, Director: Submits and presents from his prepared statement about DED's position regarding governmental efficiencies (EXHIBIT C).

210 MR. SCOTT: Continues presentation. Reviews the mission of his agency.

282 MR. SCOTT: Continues presentation by explaining DED's focus on regions and efforts to be a role mode of customer service. Points out the key industry areas.

333 MR. SCOTT: Continues presentation by explaining the ways DED uses for proliferating program staff.

TAPE 12, A

003 MR. SCOTT: Continues presentation. Explains that field people are connected by lap tops.

036 CHAIR TIERNAN: From '91-'93 DED went from 172 FTE's to 158 in '93-'95 (i.e., 14 lost positions). Is it correct that the quality or quantity of work didn't change. In fact, it increased and DED still managed to put out the same amount?

046 MR. SCOTT: Yes, that's correct.

CHAIR TIERNAN: What does the Arts Commission do and why do we need it?

MR. SCOTT: Explains that the Arts Commission was merged into DED by the last legislative session. It leverages a lot of federal money and it administers the State's percent for art. Explains what the one percent is

and what it involves.

089 CHAIR TIERNAN: What do the 25 administrative services FTE's do and how many are in the personnel office?

MR. SCOTT: Explains where the bulk of people are and what they do.

107 REP. LEHMAN: Asks about the setup of regions, work force quality and whether they are different.

MR. SCOTT: Says the regions are different.

REP. LEHMAN: What is the advantage to withdrawing film and video free from the State?

138 MR. SCOTT: Explains that both are designed to create a vehicle with a more independent board and relieve operations of some administrative charges and rule constraints.

159 REP. GRISHAM: Is government cost escalating, because we are changing and putting different names on the groups?

MR. SCOTT: Says more trust is needed from the local partners and the customers. The kinds of changes proposed are natural outgrowths.

221 REP. ROSS: What assistance are you able to give to help small businesses to understand and comply with regulations?

MR. SCOTT: Explains how they are trying to build an analysis/process for getting feedback into both key industries/regional strategies efforts and work with agencies. Describes agendas for building codes administration and how to relieve the burden on rural gas stations.

280 CHAIR TIERNAN: Requests that information about which departments would DED substantially reduce or eliminate be provided at a later time?

TAPE 13, A

001 JOHN FOOTE, Deputy Director: Explains his background at DOC for 4.5 years and his work history. Submits EXHIBIT C and presents from prepared text.

098 MR. FOOTE: Continues presentation with a review about prison growth and guard staff.

110 MR. FOOTE: Continues presentation with a statement that the number one priority is when staff say more help is needed to avoid prison disturbances.

205 MR. FOOTE: Continues presentation and explains systems that have been consolidated and other successful programs. See page 4 for details about consolidations.

239 MR. FOOTE: Continues presentation, particularly explaining about quality improvements. Refers to page 5 for overall reduction of all savings.

265 MR. FOOTE: Continues presentation. Explains overall '95 budget reduction in overtime by \$600,000.

CHAIR TIERNAN: What is the amount of overtime hours paid out last year?

MR. FOOTE: Responds that the budget for the last biennium was \$6,400,000 for overtime.

299 CHAIR TIERNAN: Who is responsible for "cranking down" the overtime hours?

MR. FOOTE: Responsibility lies with institution's central office management. There is a coordinator in each institution responsible for RFMS system. Explains/describes the problems with managing overtime.

357 MR. FOOTE: Continues presentation and references page 9 through 16 of exhibit. Explains about the classification system for inmates.

TAPE 12, B

004 MR. FOOTE: Continues presentation by describing the ISIS program (see page 10), centralized recruitment and hiring process, and administrative sanctions process (see page 13).

042 MR. FOOTE: Continues presentation. Comments about big success story with drug control in institutions, centralization, goal to shift decision making to the lowest level, and to continue efficiency. Drug control results have dropped inmate drug usage from almost 11% (five years ago) to under 1% on a consistent basis.

CHAIR TIERNAN: Why, in a secure environment, is there even 60 inmates using drugs?

078 MR. FOOTE: Explains that drugs come into prison through the prison visiting room.

CHAIR TIERNAN: What is a segregation unit?

121 MR. FOOTE: Explains about segregation and review segregation/sanctions.

147 CHAIR TIERNAN: What other coordination could be done with OSP to help reduce redundancy/improve services now?

MR. FOOTE: Explains the ongoing work discussions with OSP (i.e., Oregon State Police) to work more effectively together.

CHAIR TIERNAN: What is the one thing Corrections could do to best improve efficiency?

MR. FOOTE: Technology is the number one improvement that would support the need for efficiency.

185 CHAIR TIERNAN: Do you think you could better control purchasing practices and save money if not strapped to DAS?

MR. FOOTE: Defers as he is not an expert in that area, but does point out there have to be some of internal improvements.

CHAIR TIERNAN: Requests an explanation of the Dome Building staffing level over the past six years, because complaints have been received that the agency is top heavy.

MR. FOOTE: Acknowledges there have been such criticisms. Explains there is a natural tension between the institutions and the central office. Provides a historical perspective of the situation during Hoyt's tenure, and states the system is different now.

298 REP. JOHNSTON: Requests a copy of the classification system data. In the context of the stated mission statement, what is the "unvarnished mission" -- warehouse facility, punishing facility or rehabilitation exercise. What is Corrections targeting economically?

344 MR. FOOTE: Explains that most inmates will get out of prison; therefore, there is a vested interest in how they are treated while in prison, the rehab programs, and security.

392 CHAIR TIERNAN: Adjourns the meeting at 4:00 p.m.

Submitted by

Reviewed by,

Reviewed by,

KAY C. SHAW
Committee Assistant

GREGORY G. MOORE
Counsel

ANNE TWEEDT
Counsel

EXHIBIT SUMMARY:

A - Government Efficiency, Prepared Testimony, Lydia Taylor -- 22 pages

B - Government Efficiency, Prepared Testimony, Don Forbes - 6 pages

C - Government Efficiency, Prepared Testimony, Bill Scott - 14 pages

D - Government Efficiency, Prepared Testimony, John Foote - 16 pages